

**STATE OF MICHIGAN
DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES**

Bulletin 2013-12-INS

In the matter of

**Annual Adjustment of the Fire Insurance Maximum
Escrow under the Michigan Insurance Code**

Issued and entered
this 9th day of April, 2013
By R. Kevin Clinton
Director

This bulletin supersedes Bulletin 2012-05-INS, dated March 23, 2012

Sections 2227 and 2845 of the Michigan Insurance Code, 1956 PA 218, MCL 500.2227 and 500.2845, allow municipalities which participate in the fire insurance withholding program to escrow 25 percent of a fire insurance settlement for losses that meet established criteria to real property within the boundaries of the municipality. For residential property, the 25 percent settlement shall not exceed a maximum amount which is adjusted annually, beginning June 1, 1999, from the original maximum of \$6,000, in accordance with the consumer price index (CPI).

The new fire insurance maximum withholding amount effective **June 1, 2013 through May 31, 2014 is \$8,295.**

The maximum assignment levels for recent years are as follows:

June 1, 2012 through May 31, 2013 ---- \$8,129
June 1, 2011 through May 31, 2012 ---- \$7,873
June 1, 2010 through May 31, 2011 ---- \$7,812
June 1, 2009 through May 31, 2010 ---- \$7,860

Any questions regarding this bulletin should be directed to:

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